

Senate File 44 - Introduced

SENATE FILE _____
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 31)
(SUCCESSOR TO SSB 1065)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the imposition of a local option sales tax
2 after a disaster and providing an effective date.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 1746SZ 83
5 tm/sc/5

PAG LIN

1 1 Section 1. A city or unincorporated area located in a
1 2 county in which the president of the United States declared a
1 3 disaster to exist at any time during 2008 may impose a local
1 4 option sales tax pursuant to chapter 423B using the procedure
1 5 provided in this section. A city or unincorporated area where
1 6 a local option sales tax is imposed pursuant to chapter 423B
1 7 on the effective date of this Act is prohibited from using
1 8 this section. The provisions of chapter 423B shall apply to
1 9 the imposition of a local option sales tax pursuant to this
1 10 section with the following exceptions:

1 11 1. Notwithstanding section 423B.1, subsection 3,
1 12 subsection 6, paragraph "a", and subsection 9, and section
1 13 423B.5, unnumbered paragraph 1, cities contiguous to each
1 14 other shall not be treated as part of one incorporated area
1 15 for purposes of the election on, imposition of, and repeal of
1 16 a local option sales and services tax. For purposes of this
1 17 Act, a local option sales and services tax shall be imposed in
1 18 a city only if a majority of the votes cast in the city on the
1 19 proposition favors the imposition of the tax, and a local
1 20 option sales and services tax shall be imposed in an
1 21 unincorporated area of a county only if a majority of the
1 22 votes cast in the unincorporated area on the proposition
1 23 favors the imposition of the tax.

1 24 2. a. For purposes of section 423B.1, subsection 4, a
1 25 motion by the governing body of a city or county requesting
1 26 that the question of imposition of a local sales and services
1 27 tax be submitted to the registered voters must be received by
1 28 the county commissioner of elections by 5:00 p.m. on February
1 29 3, 2009, or by 5:00 p.m. on March 10, 2009. If the fifty
1 30 percent threshold required in section 423B.1, subsection 4,
1 31 paragraph "b", is met in a county by the February 3, 2009,
1 32 deadline, then by February 8, 2009, or as soon as practicable,
1 33 the county commissioner of elections shall publish notice of
1 34 the ballot proposition concerning the imposition of the local
1 35 sales and services tax. If the fifty percent threshold
2 1 required in section 423B.1, subsection 4, paragraph "b", is
2 2 met in a county by the March 10, 2009, deadline, then by March
2 3 15, 2009, or as soon as practicable, the county commissioner
2 4 of elections shall publish notice of the ballot proposition
2 5 concerning the imposition of the local sales and services tax.

2 6 b. The petition method described in section 423B.1,
2 7 subsection 4, paragraph "a", for requesting the submission of
2 8 the question of the imposition of a local option sales and
2 9 services tax to the registered voters shall not apply under
2 10 this Act.

2 11 3. Notwithstanding section 423B.1, subsection 5, and
2 12 pursuant to section 39.2, subsection 4, the question of the
2 13 imposition of a local option sales and services tax shall be
2 14 submitted at an election held on March 3, 2009, if the
2 15 February 3, 2009, deadline provided in subsection 2 of this

2 16 section is met, and on May 5, 2009, if the March 10, 2009,
2 17 deadline provided in subsection 2 of this section is met.
2 18 4. Notwithstanding section 423B.1, subsection 5, and
2 19 section 423B.6, subsection 1, paragraph "a", the imposition
2 20 date for a local option sales and services tax approved at an
2 21 election held pursuant to this Act, on March 3, 2009, shall be
2 22 April 1, 2009, and the imposition date for a local option
2 23 sales and services tax approved at an election held pursuant
2 24 to this Act, on May 5, 2009, shall be July 1, 2009.

2 25 5. Notwithstanding section 423B.7, subsection 4, for a
2 26 local option sales and services tax imposed pursuant to this
2 27 Act, the three-year period referenced in section 423B.7,
2 28 subsection 4, shall be the three-year period beginning July 1,
2 29 2004, and ending June 30, 2007. This subsection shall not
2 30 apply to a city or the unincorporated area of a county that is
2 31 imposing a local option sales and services tax on the
2 32 effective date of this Act.

2 33 Sec. 2. EFFECTIVE DATE. This Act, being deemed of
2 34 immediate importance, takes effect upon enactment.

2 35 EXPLANATION

3 1 This bill allows a city or unincorporated area located in a
3 2 county in which the president of the United States declared a
3 3 disaster to exist at any time during 2008 to impose a local
3 4 option sales and services tax pursuant to Code chapter 423B
3 5 using an expedited procedure. A city or unincorporated area
3 6 where a local option sales and services tax is already imposed
3 7 pursuant to Code chapter 423B on the effective date of the
3 8 bill is prohibited from using the provisions in this bill.
3 9 The provisions of Code chapter 423B apply to the imposition of
3 10 a local option sales and services tax under the expedited
3 11 process with the following exceptions:

3 12 1. The bill provides that cities and counties contiguous
3 13 to each other shall not be treated as part of one incorporated
3 14 area for purposes of the election on, imposition of, and
3 15 repeal of a local option sales and services tax. The bill
3 16 provides that a local option sales and services tax shall be
3 17 imposed in a city only if a majority of the votes cast in the
3 18 city on the proposition favors the imposition of the tax, and
3 19 a local option sales and services tax shall be imposed in an
3 20 unincorporated area of a county only if a majority of the
3 21 votes cast in the unincorporated area on the proposition
3 22 favors the imposition of the tax.

3 23 2. The bill provides that a motion by the governing body
3 24 of a city or county requesting that the question of imposition
3 25 of a local option sales and services tax be submitted to the
3 26 registered voters must be received by the county commissioner
3 27 of elections by February 3, 2009, or by March 10, 2009. If
3 28 the 50 percent threshold required in Code section 423B.1,
3 29 subsection 4, paragraph "b", is met in a county by the
3 30 February 3, 2009, deadline, then by February 8, 2009, or as
3 31 soon as practicable, the county commissioner of elections
3 32 shall publish notice of the ballot proposition concerning the
3 33 imposition of the local option sales and services tax. If the
3 34 50 percent threshold required in Code section 423B.1,
3 35 subsection 4, paragraph "b", is met in a county by the March
4 1 10, 2009, deadline, then by March 15, 2009, or as soon as
4 2 practicable, the county commissioner of elections shall
4 3 publish notice of the ballot proposition concerning the
4 4 imposition of the local option sales and services tax.

4 5 3. The bill provides that the question of the imposition
4 6 of a local option sales and services tax shall be submitted at
4 7 an election held on March 3, 2009, if the February 3, 2009,
4 8 deadline is met, and on May 5, 2009, if the March 10, 2009,
4 9 deadline is met.

4 10 4. The bill provides that the imposition date for a local
4 11 option sales and services tax approved at an election held on
4 12 March 3, 2009, shall be April 1, 2009, and the imposition date
4 13 for a tax approved at an election held on May 5, 2009, shall
4 14 be July 1, 2009.

4 15 5. The bill, for purposes of a local option sales and
4 16 services tax imposed under the bill, amends a three-year
4 17 period used for purposes of distribution of tax receipts. The
4 18 amended three-year period does not apply to a city or the
4 19 unincorporated area of a county that is imposing a local
4 20 option sales and services tax on the effective date of this
4 21 Act.

4 22 The bill takes effect upon enactment.